



# MANAGING A SOCIAL (IR)RESPONSIBILITY CRISIS: THE CASE OF FERRERO AND THE PALM OIL ISSUE

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## **ABSTRACT**

**Title:** Managing a Social (Ir)responsibility crisis: the case of Ferrero and the palm oil issue

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Crisis management communication represents a challenging concern for today's organizations. A single episode of negative brand publicity can lead to crucial damages to the constituents, troubles for the entity, as well as threats to its reputation, leading it to their very existence end. Increasingly number of academics identify the brand reputational status as relevant influencer factor in all business' aspects. Indeed, brand reputation is the base for all organizations to be successful.

This thesis builds on the brand crisis management theories to analyze how Ferrero, one of the largest confectionary companies worldwide, faces and overcome the palm oil scandals, which recently represented its greater threat, improving both profits and reputation. Moreover, this work can be applied as a managerial case study in classes such as Corporate Social Responsibility, Business Ethics, Crisis Management Communication, Management Consulting.

Along this thesis, some crisis characteristics and consumers' reactions are analyzed, as well as the major strategic crisis responses, thanks to an accurate Literature Review. After pursuing a qualitative research on Ferrero, I identify the main reasons why the company could successfully overcome the crisis. Finally, some alternative response solutions are explored.

**Keywords:** Corporate Social Responsibility, Brand Crisis, Crisis Communication, Palm Oil

## **RESUMO**

**Título:** Gestão de uma crise de (ir)responsabilidade social: o caso da Ferrero e o problema do óleo de palma

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A gestão da crise é uma função vital para as organizações. O seu insucesso pode resultar em sérios danos para os parceiros, perdas para a empresa, e em ameaças à reputação da organização. Sempre mais empresas e figuras da academia reconhecem que o estado da reputação de uma marca tem impactos consideráveis em todos os aspetos do negócio. Efetivamente, a reputação da marca é um fator-chave para que as empresas vençam em termos competitivos.

A presente tese assenta nas teorias de gestão de crise das marcas para analisar de que modo a Ferrero, enfrenta os escândalos relacionados com o óleo de palma, melhorando quer os seus lucros quer a sua reputação. Adicionalmente, a tese poderá ser aplicada por professores da instituição universitária como um estudo de caso em gestão para unidades curriculares que abordem a Responsabilidade Social das Organizações, Ética nas Empresas, Comunicação na Gestão de Crises, e Consultoria de Gestão.

Neste trabalho, são também analisadas algumas características da crise e reações dos consumidores, bem como as principais estratégias de resposta a crises, graças a uma revisão da literatura detalhada. Após a condução de uma investigação qualitativa, são identificadas as principais razões pelas quais a entidade pôde ultrapassar esta crise com sucesso. Finalmente, são exploradas algumas soluções alternativas para a situação em questão.

**Palavras-chave:** Responsabilidade Social nas Empresas, Crises de Marcas, Comunicação em Crises, Óleo de Palma

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## **LIST OF ABBREVIATIONS**

CSR: Corporate Social Responsibility

EFSA: European Food Safety Authority

LDL: Low-Density Lipoprotein

NGO: Non-Governmental Organization

POIG: Palm Oil Innovation Group

RQ: Research Question

RSPO: Roundtable on Sustainable Palm Oil

SCCT: Situational Crisis Communication Theory

# I. INTRODUCTION

## 1.1 Explanation and purposes of the case study

The aim of this work is to analyze how a multinational as Ferrero could have coped with a brand crisis improving not only the profits but, most important, the reputation.

Ferrero represents one of the biggest companies within the confectionary sector worldwide, selling over 170 countries and employing around 35.000 people. Over the years, Ferrero has been characterized by a strong corporate social responsibility, focusing its attention on employee's welfare, clients' satisfaction, quality of the products and the protection of the environment. However, its positive brand image has been threatened due to the recent palm oil scandals, that had a great impact at least in some European countries, bringing to a proper boycott actions towards some products containing this specific ingredient, in primis Ferrero start product, Nutella.

I decided to elaborate a case study about Ferrero, since I personally found interesting to see how such popular scandals did not affect its activities, but rather improved its business and public image. Moreover, Ferrero caught my attention since it is a highly competitive multinational with Piedmont roots, Italian region where I am from, and hence, it reflects both my love for my home country and my willingness to get international experience.

Throughout this study, I follow the research question *How could Ferrero cope with a brand crisis, expanding both its profits and reputation?* To better analyze how this was possible, I divided the research question into two more specific challenging phases that the multinational had to face:

**RQ1: Does the crisis perception and crisis responses change over time?**

**RQ2: Which actions did Ferrero pursue to regain legitimacy?**

Then I developed a more creative and stimulating question, in order for students to critically rethink about the theory and data presented and find out alternative solutions:

**RQ3: What Ferrero could have been done better?**

In the literature review, after the introduction of some general concept of reputation and organizational crisis, some theories developed by several researchers will support the understanding of the case and analyze the issue of coping with brand crises. The literature review is divided into two parts, corresponding to the first two research questions. In the first part, the major models to study the main characteristic and consequently stakeholders' reaction of a crisis are presented. Regarding this, students will be able to make some conclusions, according to the findings of Coombs (2007) and Keller (1993). In the second part, after defining the concept of substantive and symbolic management, the main crisis response actions are analyzed, thanks to authors such as Ashforth and Gibbs (1990), Di Maggio and Powell (1983) within the others.

## **1.2. Data Collection**

In order to elaborate the case study and have an accurate analysis over Ferrero main stakeholders' reactions, social media activities have been taken into account. In particular, thanks to Twitter, it was possible to collect specific tweets from the periods of the crises, making it easier to prove the facts reported and complementing the case. The tables 8(a) and 8(b) in the Appendix provide an exhaustive list of the sources of information used.

## II. CASE STUDY

Luxemburg, September 2016

After the routine Friday meeting with the Marketing Department, Mr. Rizzo was ready to go home and spend the weekend with his family. He was back from a long business travel in Brazil and needed some proper rest before kicking off a new working week.

He took his jacket and the usual umbrella, mumbling why he was still stuck in foggy Luxemburg instead of living in Ipanema. His mind was still dreaming of sun and palm trees, when Ms. Alonso came breathless and a bit upset, grabbing some papers. She was one of his Communication Management colleagues and their last meeting took place few weeks before; maybe she had some new market researches regarding the launch of some Ferrero products, he thought.

Instead, she handed him some excel files full of Ferrero hashtags and much warning ones, reporting the words “palm oil”. Here we go again, Mr. Rizzo thought. The palm oil has been persecuting them since early 2011, with some concrete boycott actions already during 2014. The problem was already solved, thanks to some measures the multinational already adopted during the years.

Ms. Alonso insisted, with her lively Spanish accent: “This time, it is different!”. Mr. Rizzo took the papers and went slowly back to his office. Actually, this time the concerns had another tone and were carried on by much more diversified users. Moreover, the presence of NGOs, social groups and food association within the tweets did not bode well.

Sighing, Mr. Rizzo started reading the files and the report provided. Apparently, the problem was not solved and the relax needed to wait longer.

### **2.1. Brief history of Ferrero – A sustainable family business**

Model of a brand “made in Italy”, manufacturer of confectionary products, Ferrero is one of the best examples for defining post Second World War private sector in Italy.

Its story begins during the '40, when Pietro Ferrero opens a pastry laboratory in Alba, in northwestern Italy. Due to the tough war times, costs need to be very low and just few food ingredients are available. Thus, this space allows him to keep on experimenting and improving cheap alternatives to chocolate based on hazelnuts, largely available in this area. In 1946, thanks to an effective formula, Pietro invents the ancestor of Nutella, called "*pasta Gianduja*", which gets immediately successful and turns the tiny pastry shop into a proper company.

Three years later, Pietro dies and his brother Giovanni brings on the activity, helped by Pietro's son Michele, who will manage and develop the company to its actual global expansion. Therefore, since his early career stage as leader of the family business, Michele manages to enter first the German market and then the Austrian, Belgian and French ones. At the same time, he develops some of the most popular Ferrero products, such as Mon Cherie, Kinder Joy egg and the star product Nutella.

From the '60 the company has been growing all around the world, including the entrance in countries such as Brazil, Ecuador, Australia and Hong Kong, turning into the famous multinational of nowadays. Although the global unpredictability and the industry challenges, Ferrero has showed its ability in extending and consolidating its business throughout the years, selling over 170 countries and employing around 35.000 people. Nowadays, Ferrero occupies the third position in the confectionary sector worldwide, after the American Mars and Mondelez International.

## **2.2. Ferrero CSR: "The Ferrero Family"**

This large success is probably due to the Ferrero's ability to always combine significant investments in the R&D sector with a tangible attention to their CSR policies. A strong work ethic has historically been priority within the company at all levels, from the attention to the environment and the quality of the products to an accurate employee welfare and social projects development. Moreover, a transparent communication and advertisement has always characterized the multinational.

Great attention is always given to the consumers, who represent Ferrero's first stakeholders. Indeed, through the years, Ferrero developed several programs to protect consumer health, products freshness, quality of the raw materials and a healthy consumer lifestyle. Special consideration is given to ex-employees, thanks to the "Ferrero Foundation",

better described afterwards. Regarding the territory, Ferrero is committed to minimize its global impact, while trying to improve the potential of the local communities, for example with some partnership projects with local farms and people worldwide. The company is also committed to a sustainable use of the raw materials and an effective use of the natural resources (Ferrero CSR Reports, 2012, 2014).

At an international level, Ferrero counts on several sustainable agreements and takes part to CSR global associations such as “Global Reporting Initiatives” and “CSR Europe”, initiatives with the aim of enhancing a transparent and complete accountability system and develop the corporate social responsibility, or its participation in “EPODE” program, which has the purpose of reducing the childhood obesity worldwide.

Therefore, the company keeps being the first food company in the world for reputation while amplifying and improving its assets in line with its ethical and business commitments.

### **2.2.1. Labelling System and Kinder+Sport Project**

Regarding the responsibility across their productive activities, Ferrero focuses its attention on a clear and transparent labelling system. Since most of its products are addressed to young people and children, indicating the right doses of fats and sugars gets relevant. Thus, the company uses a nutrition labelling system conformed to international standards and takes part to several associations which provide accurate labelling system and complete calorie-related information. Moreover, Ferrero studies and analyzes balanced ingredient proportions, especially for its snacks. Therefore, the weight of Kinder products varies between 5 and 43 grams (Ferrero CSR reports, 2014). The decisions about the snack ideal weigh are based on some studies regarding the average food characteristics of children and age groups in development phases. Moreover, most of these snacks are developed in order to be combined with other foods to get a vary and balanced diet.

The “Kinder+Sport” project aims to promote an active lifestyle among young people, underlining the importance of a proper and constant physical exercise. In order to be in line with international standards, Ferrero provides a “brand book” with all the guidelines that young people should follow to stay fit and avoid obesity diseases, supported by the studies of different nutritionists and experts in the sector. Furthermore, the company counts on partnerships with local institutions, such as gyms and schools, for the developing of the program, with the goal

of educating also the parents about the right doses of Ferrero products to give to their children. Also, “Kinder+Sport” has a “glocal” approach, since it is present at a global level, but involved in different sport activities, according to the most successful sports in each country (e.g in Italy is focused on football and volleyball, while in South Korea on martial arts). Finally, the project is tangible measurable, thanks to some KPIs which show both its degree of appreciation and its reputational return.

### **2.2.2 The People, “Ferrero Foundation” and “Ferrero Social Enterprises”**

People occupy a central role in Ferrero strategy definition. Indeed, reference stakeholders are consumers, employees, ex-employees and local communities. For Ferrero, as for any company, consumer satisfaction is an essential goal. In practical terms, this means the constant attention in selecting the best raw materials, designing a responsible communication and producing high quality goods, beside the numerous researches about the correct proportion, mentioned above. The attention towards employees is characterized by the creation of a friendly and fair work environment, which allows the development of worker skills, positive attitudes and creative ideas.

“Ferrero Foundation” is a great example of this attitude. Founded in 1983 and based in Alba (IT), it has the goal of improving the ex - employees’ quality of life, promoting in this sense several activities. The granting of health services to former employees, also house-called, the organization of dedicated physical activities for older people, the creation of a kindergarten within the Foundation and the allocation of student scholarship are just some examples of its activities.

On the other hand, Ferrero Social Enterprises represent the company CSR willingness among third world countries. Realized in 1996 first in Cameron and then in India and South Africa, the project has a philanthropic and entrepreneurial aim. Therefore, they are proper business enterprises focused on the creation of working places and social-humanitarian projects, providing also some healthcare and education initiatives in the mentioned developing countries. To this end, Ferrero ensures respectable salaries, proper training, improvement of the working skills and the use of local raw materials. The profits derived from these activities are then reinvested at a local level. The result is the creation of relevant positive externalities within these areas. Just to have an idea, according to 2015 data, Ferrero employs around 3700 people

in India, in the cities of Pune and Baramati, while when the project started, early 2009, it counted just on 650 employees (Ferrero CSR report, 2015).

### **2.2.3. The supplier relations and the attention to products quality**

The company is aware that to respect high CSR standards, needs to involve also its business partners in social agreements and sustainable management. About this aspect, Ferrero operates on two levels: attention while selecting suppliers and the purchase of raw materials as much as possible close to its production plants (for example in Italy, Mexico and France over 90% of the raw materials is bought from national suppliers, while the lowest level of national purchases happens in Belgium with 63,80%).

Moreover, the suppliers are selected with uniform standards worldwide and are all connected through an online platform. In addition, six-monthly inspections are realized within all the suppliers, in order to analyze the compliance of the products and freshness, hygiene and quality standards. Other quality-related initiatives will be realized due to the palm oil scandals, presented in the next chapter.

### **2.2.4. Ferrero and the environment**

Ferrero also gives special attention to the planet. Therefore, it tries to complement a strong interest in growing with a great awareness of its impact on the environment. For examples, the main responsibility of the multinational is to track its products' supply chains effects. Therefore, the group believes that it can manage to limit its impact only once it gets a proper and strong vision about it. Indeed, since 2009, Ferrero has measured once per year its Carbon Footprint, committing to a responsible gradual rise of its restrictions too.

Another example is its commitment in developing sustainable agricultural practices, through some rural requalification projects. According to this, Ferrero has also launched a program called "F-ACTS" (Ferrero Agricultural Commitment to Sustainability) which involves any agriculture raw material, based on three dimensions: development of focused agreements, standard and certified systems, institutional and collective deals. F-ACTS has ambitious goals, such as producing 100% sustainable cocoa and brown sugar until 2020. But thanks to this program, Ferrero already in 2014 reaches important goals, such as 100% use of sustainable and



highly controlled European eggs and 100% use of certified palm oil, as will be more deeply analyzed in the next chapter.

### **3.0. Palm oil scandals**

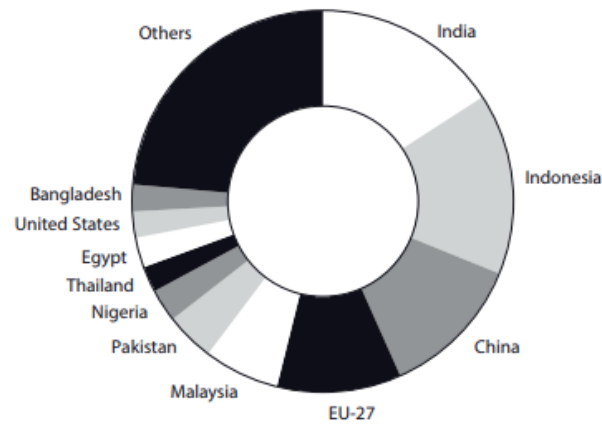
Ferrero's positive image has recently been threatened due to the palm oil scandals. Even if awareness of potential issues about this particular oil starts already in the other decade, it is just few years ago that these concerns get relevant for Ferrero.

#### **3.1. Understanding of the palm oil characteristics and issues, an overview**

The palm oil (scientific name "Elaeis guineensis") is a vegetable oil which is obtained from the fruit of oil palm trees. Two different oils can be produced: the crude palm oil, which comes from crushing the fleshy fruit naturally and palm kernel oil, which is obtained by squeezing the kernel contained in the fruit. The differences between the two depend on the color and the saturated fat content: the crude one has a characteristic reddish aspect due to high beta-carotene content and is 49% saturated, while the kernel one lacks carotenoids, thus is not red, and counts on 80% saturated fat. Nevertheless, if the crude red palm oil is properly treated, turning into an everyday good called RBD palm oil, should not contain any carotenoid. Oil palm crops are originally from Africa but were also brought to South-East Asia around 100 years ago as decorating plant. Therefore at the moment Indonesia and Malaysia represent the countries of greater production, providing over 85% of the global demand, but there are around 42 other countries that also produce this particular oil (e.g Colombia, Ecuador, Thailandia,...). In these countries, the palm oil production represents essential part of the national economies. For example, in Indonesia around 25 million of people live directly or indirectly on this industry (Rival and Levang, 2014).

The palm oil is basically presented in everything, since it is contained in about 50% of the packaged products in common supermarkets. For example, it is present in processed products, such as chocolate and frozen pizza, and cosmetics ones, such as soap, toothpaste and gel douche. Moreover, it is often contained in animal feed and used as biofuel in several countries. Finally, in most of the African, Southeast Asian and Brazilian areas it represents a common ingredient, just as sunflower or olive oil in Europe.

**Figure 3.1.** Main palm oil-consuming countries (2014)



*Source: Rival and Levang, 2014, p. 9*

Its large use worldwide is due to its extremely versatile characteristics. Therefore, it is semi-solid at room temperature, making it easily spreadable and it is particularly resistant to the process of oxidation, property that confer products a longer life. It has also the capability of staying stable at elevate temperatures, giving fried food the characteristic crispy composition; moreover, it is odorless and colorless, so it does not influence smell or aspect of the products. Furthermore, from the production point of view, beside being the cheapest option on the market, it is also very adaptable and productive, since it can generate higher levels of oil per land area than any other similar oil crop. Indeed, palm oil satisfies around 35% of the world's vegetable oil demand, using just around the 10% of the land. To have a comparison, to obtain the same quantity of similar oils, for example coconut oil, it would be needed among 4 to 10 times more land (Teoh, 2002; WWF, 2012), with consequently higher costs and environmental issues.

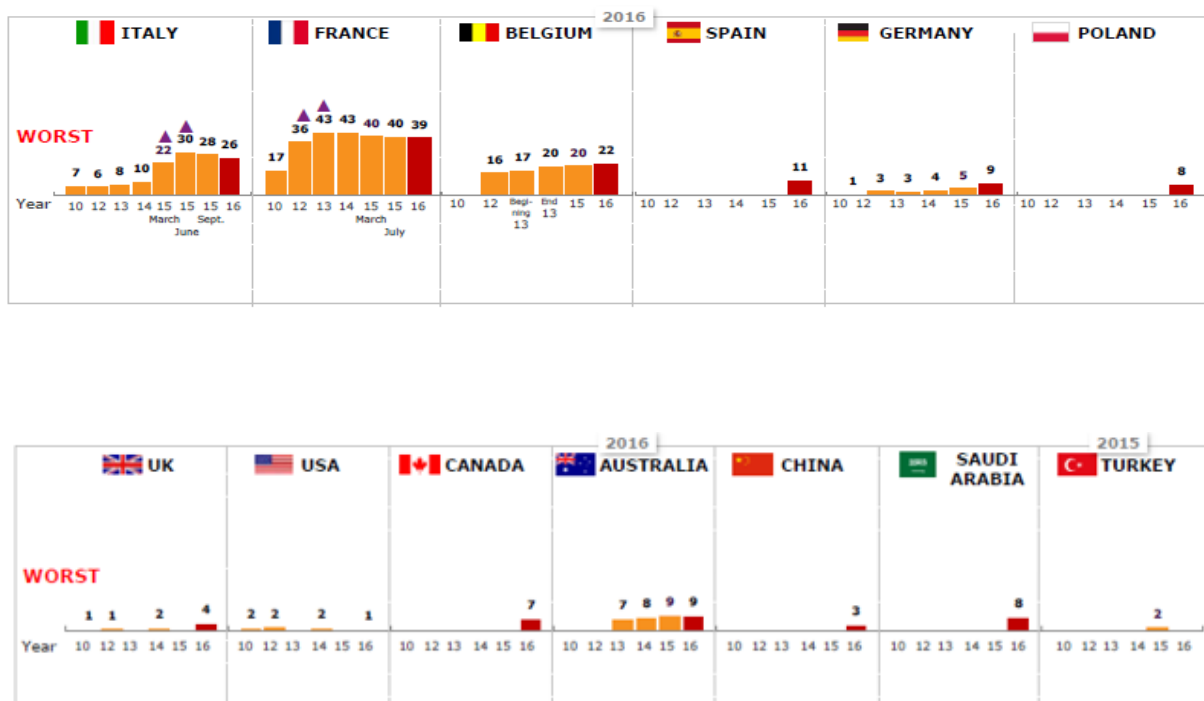
However, this special oil brings on negative aspects too. Therefore, it keeps representing one of the greatest reasons of deforestation in several world's most biodiverse ecosystems, being responsible for the destruction of some species' habitats such as Orangutan and Pygmy Elephant, animals already at risk of extinction. The deforestation process, combined with higher and higher levels of carbon in the soils, is dissipating thousands of greenhouse gases into the atmosphere, having an increasing role within the climate change issue. Still, in some cases, the

palm oil represents a driver for child labor and exploitation of workers (WWF, 2012), topic better explored in the following pages.

### 3.2. First alarms – Is palm oil safe?

It all starts during December 2011, when a new European Union food labelling law (EU regulation 1169/2011) gets approved. According to this regulation, the food industries need to be crystal clear about the ingredients they are using, the percentages of them and their labelling communication to the final clients. Among the constraints there is the duty to inform consumers about the type and percentage of fat presents in the product, instead of the generic “vegetable fat added”. This normative shows up that most confectionary industries were using palm oil in their products which, despite its name, is an oil with high levels of saturates, typically known to increase the LDL cholesterol and the probability of cardiovascular disease. The cheap cost of the palm oil is one of the main reasons why it has been used to replace similar alternatives, such as butter or margarine.

Figure 3.2. Palm oil awareness (2016)



Source: WWF, 2016

According to WWF, 2016 (see figure 3.2) palm oil awareness gets a hot topic just in Europe and in particular in Italy, France and Belgium. France case particularly affects Ferrero. Therefore, following this first wave of scandals, in November 2012 the French Senate proposes the “Nutella tax”, a law which would quadruple the tax on palm oil, a star ingredient in the product, to deter the demand of the saturated-fat oil. Even if Nutella is not the direct implied of this regulation, due to the name of this law, it becomes the principal symbol victim of the situation with a huge brand negative impact on French public opinion.

This fact represents a first important consequence towards Ferrero, also considering that Frenches are the biggest consumers of Nutella. Indeed, even if representing just 0,86% of the worldwide population, Frenches consume around 25% of the total Nutella production, that is 75.000 tonnes per year (Mozaffarian and Clarke, 2009). Even if at the end the law is not approved, it triggers consequences and negative Ferrero perception in all Europe.

It is interesting to notice how this negative perception starts to acquire relevance also through social media, especially Twitter. If considering the period between 2013/2014 is not hard to find tweets concerning the palm oil situation and the direct or indirect Ferrero implication. Tweets such as

“I'm start getting worried for my children...is #nutella safe? What about this #palmoil news? #ferrero #nutella”

“So delicious but so dangerous! Can't we make it with balsamic vinegar? #nutella #ferrero”

“In France not to use #palmoil is a proud! #freepalmoil #nutella Say no to palm oil”

start getting popular, meaning the increasing awareness of people towards the topic. The issue is considered even bigger when coming to kids and young people as showed by

“For my kids...what a world would be without #nutella? For sure a cleaner and healthier one #palmoilfree #boycott”

“I'm start getting worried for my children...is #nutella safe? What about this #palmoil news? #ferrero #nutella”

Even though some people write quite sarcastic tweets such as

“The label of #nutella is like the cigarette labels. Useless. We keep eating it #palmoil #nutella”

“I don't care about the #palmoil. #nutella I will always eat you  
#whataworldwouldbewithoutyou?”

alternative to Nutella and Ferrero recipes start to show up:

“Are there alternative to @palmoil? (link attached)”

“Check out #nutella recipe (file attached). Be aware of what you and your kids eat  
#nopalmoil #boycott”

A broader collection of tweets showing the reactions of the stakeholders can be seen in Table 8(a), in the Appendix. Another palm oil alarm takes place early 2016, when the EFSA publishes a study about the presence of high levels of bad substances in the palm oil, in particular 3-MCPD, 2-MPCD and GE, potentially dangerous for the kidneys and the development of some types of cancers. Therefore, the quantities of these components are considerable. While other vegetable oils contain between 48 and 608 µg/kg of 3-MCPD, the palm oil counts on 2912 µg/kg. The situation does not get any better if considering the other two elements. Indeed, it contains over 1565 µg/kg of 2-MPCD and 3955 µg/kg of GE, while on average the other oils have 86 to 270 µg/kg and 15 ed i 650 µg/kg respectively (EFSA Journal, 2016). According to the report, the most exposed ones are the newborns, whom if feed with artificial milk exceed by four times the tolerated daily dose of 3-MCPD, in the cases of high exposure. Then there are some groups of children, whom take these substances through snakes and sweets. Teenagers reach considerable doses just in half of the cases of high exposure. Instead, average adults are mostly classified in acceptable levels for all the components.

Due to this event, during the same year, also Italy and Switzerland analyze some measures against products contains the disputed ingredient. For example, the Swiss Department of Education forbids the sale of some confectionary products in the vending machines of elementary schools, due to their composition. In Italy, some legislative proposal against the palm oil are taken into consideration, even if then not applied. For example, some proposes regard the possibility of increasing the tax on the ingredient, from 4% to 22%, while others suggest a more drastic total avoidance of its use in both food and cosmetic goods.

### **3.3. Amnesty Report and public opinion reactions – Is palm oil ethical?**

Despite the functional relevance of these initial facts for Ferrero and the confectionary industry products, the event that probably represents the cherry on top happens some months

later. In August 2016, the global known NGO Amnesty International publishes a long and well articulate report called “The great palm oil scandal: labor abuses behind big brand names”. The research is the result of a deep investigation on Indonesian plantation own by Singapore based Wilmar, which represents the biggest producer and retailer of both palm and palm kernel oils, controlling a share of about 43% of the worldwide palm oil business. Moreover, it supplies multinationals such as P&G, Nestlé, Kellogg’s and Colgate-Palmolive.

Amnesty finds out serious human rights abuses and violence episodes in the plantations of Wilmar and its suppliers. These include, for example, issues related to the treatments of the workers, such as forced and child labor, as well as gender discrimination. Therefore, especially women are forced to work under irregular working conditions, making them particularly exposed to abuses. Moreover, Wilmar is responsible for the pursue of some risky working practices that can be dangerous or even fatal for workers’ lives. It has been analyzed that these abuses are not casual incidents, but are rather due to Wilmar’s routine working conditions, such as low levels of wages and the use of “piece rates” (workers are not paid based on the effective hours worked, but just on tasks completed) among the others.

This scandal has a greater impact on the public opinion, than the ones before. Consumers suddenly starts concerning about the palm oil effects on personal health, climate change, environmental protection and biodiversity conservation. The public opinion gets emotional about till-then unknown issues and starts perceiving palm oil users as careless enemies, who make their own profits without pursuing any effort to avoid the exploitation of human rights and environment. Thus, people start paying much more attention to the ingredients of the food they consume and start to avoid palm oil-based products. On one hand, they keep being scared due to healthy reasons and potential development of cardiovascular diseases, especially worried about the health status of the children, target towards most of Ferrero product are directed. Tweets such as

“Palm oil is toxic for both human and animals @theguardian #palmoil”

“I will check products by products...i'm aware of #palmoil now than before”

confirmed these concerns. On the other hand, due also to social pressures, consumers become much more aware of the controversial situation regarding the palm oil production, getting outraged by the lack of regulation workers, animals and environment are exposed to. This phenomenon is once again clear when considering the Twitter accounts. However, the quality

and content of the tweets are different from the ones before, as showed by some of these examples

“#RSPO is giving license to kill. There is only one palm oil: bad palm oil #palmoil #palmoilkills”

“#ferrero stop using and promoting #palmoil. You're destroying the #environment”

“@indipendentuk we demand instant action! Withdraw #palmoil from our products now (picture attached)”

“Animals are losing their homes for #palmoil #RSPO is certifying the killing fields #palmoilkills”

A more detailed collection of tweets showing the reactions of the stakeholders can be seen in Table 8(b). As a consequence, most of the food industries immediately react to these trends, analyzing new recipes and offering palm oil free alternatives.

Ferrero is in the eye of the storm. Many of its goods are realized thanks to this oil, firstly Nutella, its more sold and successful product ever. Studying new formulas, changing its recipe and adapting the entire supply chain to new ingredients would be time and money consuming. Moreover, it is not easy to find an effective alternative to the palm oil, which counts on many advantages. Besides being cheap, it does not have any flavor, color, gives chemical stability and texture to the product and bears high temperatures.

Thus, the company prefers to pursue a responsible approach, consistent with its CSR principles and launches a campaign for the use of its certified Ferrero palm oil.

## **4.0 Responses and actions**

### **4.1. Ferrero first responses**

Since the first palm oil alarms, Ferrero has complemented its CSR activities with an informative approach about the palm oil question. Indeed, during 2014, it enriched its website with a special section about the oil ingredients, which has been constantly updated according to newest scientific researches and findings. The information reported has the aim to explain the products composition and production to the consumers, with a special attention to the proportions of the ingredients. Ferrero intention is to calm down the public opinion with a clear

and scientific communicative approach, to avoid concerns about the safety of its products. From year to year, this website section has been largely developed. For example, it has been subdivided into different parts, each one refers to a specific trait of the palm oil, from its production to its characteristics and great use worldwide in the most diverse sectors. Moreover, concerning the arose health issues, Ferrero creates an internal Scientific Nutritional Committee, to which take part the managers involved in the definition of correct food policies.

Furthermore, in May 2014 the group publishes its first “Palm Oil Report” and during November of the same year, it decides to use only RSPO Certified Palm Oil, of which is effective member since 2004. This is a first strong response, since being part of RSPO does not allow the use of palm oil if mixed up with no-sustainable raw materials. However, to reinforce once more its position, in November 2015 Ferrero becomes a POIG (Palm Oil Innovation Group) member. POIG is a multi-stakeholder program, which sees the cooperation of important NGOs and advanced palm oil producers. It has the goal to make all constituents adopt responsible production practices. In order to implement such a program, POIG has been developing a reliable and measurable standard criterion, which is directly built on RSPO standards, focusing on creating and promoting progressive innovation.

As underlined by Ferrero, its efforts within the sector are rewarded by the NGOs WWF and Greenpeace. In particular, WWF scores the group 9/9 in the “Palm oil buyers scorecard 2016”, while Greenpeace defines Ferrero as “one of the most progressive multinationals in the palm oil sector”, beside positioning it within the firsts two companies worldwide in its “Company scorecard 2016”. These results obtained in the environmental sector will be the base on which Ferrero builds its pro palm oil campaign after the Amnesty scandals.

#### **4.2. Ferrero palm oil campaign “Da 70 anni la qualità prima di tutto” (“Since 70 years, quality first”)**

As mentioned before, unlikely most of the food and confectionary industries, Ferrero opts for keeping the palm oil in its products after 2016’s scandals. Therefore, the company starts a big communication campaign focusing its attention on the quality of the raw materials, rising also to the occasion of the 70th anniversary of its foundation.

In October 2016, Ferrero launches a television and online advertising, emphasizing how the quality of its ingredients and its attention to the entire supply chain process has characterized



the group's responsibility for 70 years, making Ferrero a global known brand. Due to the scandals, great attention is given to the Ferrero palm oil quality. It is specified that "there are palm oils and palm oils. Our is Ferrero palm oil certified" which is described as "safe, since obtained from fresh squeezed fruits, sustainable raw materials" and thus "perfect to enhance the taste and the consistency of our products and make them so creamy" (Ferrero CSR report, 2016). Beside this campaign, Ferrero leads his initiative also promoting ads on newspapers and magazines and organizing a conference properly called "Palm oil workshop: a responsible choice, based on science". It is interesting to notice how a very heterogeneous group of experts, from researchers to doctors and NGO representatives, participate to the conference, meaning that Ferrero is taking into consideration the different stakeholders' perspectives and interests. Parts of this meeting are also used in TV advertising, which see also the participation of some suppliers and employees through some short interviews. Moreover, the campaign sees also the participation of the Italian counsellor of WWF, who is shot while visiting the Ferrero palm oil mills in Malaysia.

Throughout these advertising activities, Ferrero reply to the negative critics showing a strong presence and availability to explain all its business choices, from the production to the sales. It has underlined how the palm oil processing is highly controlled and sustainable, thanks to special techniques of purification which keep intact the natural characteristics of the material. Thanks to this working process, Ferrero can ensure a "completely safe product, already in line with EFSA recommendations and standards" (Ferrero CSR report, 2016).

Although this large advertising campaign, the negative effects of the scandals show up. For examples, in Italy, Nutella sales falls by about 3% in one year, until the end of August 2016, event that the multinational partly implied to some competitors promoting alternative products, based on palm oil-free receipts.

However, it is interesting to notice how positive results since the campaign are not slow to arrive. Indeed, consumers regain trust towards Ferrero, despite its choice of keeping the oil as star ingredient of its recipes. For example, in Italy Nutella sales rise 4% in the last four months of 2016. The company did not publish its sale reports for the rest of Europe, but at a global level, it seems that Nutella sales have not been influenced by the EFSA research and are rather growing at 5-6% per year (Ferrero CSR report, 2018). Furthermore, to be consistent with its approach, Ferrero continuing to take action. Following the publication of the Greenpeace report "The Final Countdown" (September 2018), which based on the previous one once again

underline the importance of using sustainable palm oil to avoid deforestation issues, Ferrero take full responsibility of its actions. The group wants to demonstrate its absolute dedication to transparency, thus it will update and publish the full list of mills it sources from every 6 months as well as provide update on their sustainability progress.

**Table 4.2.** Ferrero response strategies

FERRERO RESPONSE STRATEGIES	1° CRISIS	Creation of the website special palm oil section
		Creation of the Scientific Nutritional Committee
		Publication of the first "Palm Oil Report"
		Use of "RSPO Certified Palm Oil" only
		Become a POIG member
	2° CRISIS	Advertising through the Web, magazines, TV,...
		Conference

### III. LITERATURE REVIEW

#### 5.0. Introduction: Beyond the crisis

It is nowadays priority for a lot of firms to invest relevant amount of resources and time on advertising campaigns, social responsibility and funding activities to develop and ensure a positive brand perception, based on both great performing achievements and high social values. Nonetheless, brand positive perceptions can be easily spoiled by an organizational crisis event.

According to the literature, an organizational crisis can be considered as an unpredictable event, that can occur due to several reasons and under different circumstances, threatening an organization's performance and goals (Seeger, Sellnow and Ulmer, 1998). Moreover, crises are seen as change-inducing events that disrupt the status quo, making ineffective previously designed crisis response strategies (Seeger et al, 2005).

Therefore, these events are dangerous for the legitimacy and the reputation of an organization (Coombs, 2007), since these changes may influence the way stakeholders perceive and related themselves with it (Barton, 2001; Dowling, 2002).

Even if the concept of reputation is quite simply and understandable in its common usage, it gets quite hard to explain when coming to the business management field, as showed by the many different definitions that have been developed across different studies.

Within the most recent literature, the concept of reputation has been summarized as a non-tangible asset, crucial for the success and prosperity of any type of organization (Fombrun and Gardberg, 2000).

Hence, it is particularly important to increase it or, at least, defend and preserve it along the time. Academics and researchers agree that effective crisis communication strategies can decrease the impact of the crisis on an organization and the related reputation damage inflicted (Benoit, 1995; Coombs, 1995; Murray and White, 2005). However, understanding the characteristics of the crisis and how it is seen and perceived by stakeholders represent the first step to plan effective strategic responses.

## **5.1. Crisis types and characteristics**

As previously seen, crises are considered as one of the major threats for the reputation of an organization. If considered the definition of reputation as the stakeholders' valuation of how well a company is satisfying their concerns and expectations (Wartick, 1992), it is possible to conclude that reputation towards an organization can be either positive or negative. Crises have the power to damage this equilibrium as well as the way stakeholders see and consequently will interact with the organization. Hence, in order to repair or prevent the organizational reputational threats, appropriate crisis communication strategies are needed.

According to the literature, there are two major theories to analyze brand crises: 1) Attribution Theory perspective – Situational Crisis Communication Theory (Weiner, 1985; Coombs, 2007); 2) Brand Equity Theory perspective (Keller, 1993).

### **5.1.1. Attribution Theory perspective - Situational Crisis Communication Theory**

The Attribution Theory perspective predicates that individuals research for the causes of events, especially for events that are perceived as non-ordinary and negative (Weiner, 1985; Weiner 1986, 2006). Basically, people give a certain degree of responsibility to an action or event and, according to the level of importance and the perception created, they will develop a specific emotional reaction for what happened. The theory focuses its attention on the emotions of “anger” and “sympathy” and on how their attribution to responsibility serves as motivation for action. Weiner (1986) argues that the interpretation of the episode is the first step in creating this emotive process, that will lead people to final conclusions and judgements. In particular, he suggests that when individuals are considered responsible, anger feelings rise up and negative behavioral actions are implied. On the contrary, if a person is considered as not responsible, sympathy emotions and favorable responses prevail on negative ones.

According to this theory, Coombs (2007) posits that each crisis has a predictable responsibility's level, which leads to the rise of consequently specific emotions and reactions. Links between the Attribution Theory and crises are often presented in the literature (eg, Bradford and Garrett, 1995; Coombs, 1995; Härtel et al., 1998; Jorgensen, 1994, 1996; Mowen, 1980; Stockmyer, 1996). Therefore, understanding the stakeholder attribution of responsibility to an organizational crisis event is essential for managers, since stakeholders' emotions turn into behavioral consequences, which quickly become reactions and concrete actions.

## **Situational Crisis Communication Theory**

In particular, Coombs extends upon the previous theory with the “Situational Crisis Communication Theory” (SCCT, Coombs, 2007). This model tries to analyze how it is possible to anticipate crisis’ threat and which are the best communication responses that should be adopted to reduce the damage and preserve as much as possible the initial reputation. The concept of threat has been identified by the author as the total harm a crisis may inflict to the reputation of any entity, if no corrective measures are taken (Coombs, 2007). According to the theory, there are three specific elements that influence the reputational threat: (1) initial crisis responsibility, (2) crisis history and (3) prior relational reputation.

- (1) Initial crisis responsibility is the perceived degree of the initial organization’s control over the crisis. Basically, it is stakeholders’ perception of how certain actions pursued by an organization might have led to the final crisis. Accordingly, the reputational threat is considered higher when stakeholders perceive inner organizational actions as major causes of the crisis. On the contrary, the lower this degree of attribution, the lower the related reputational threat (Coombs, 1998; Coombs and Holladay, 1996, 2002, 2004).

Given this definition, Coombs analyzes three crisis actors according to the different perceptions of the initial crisis responsibility (see table 5.1.1):

- 1) victim crisis: the organization has none or very little attributions of crisis responsibility (for example natural catastrophes, external rumors and baseless judgements due to disinformation or ambiguous interpretation,...). Hence, the organization itself can be considered victim of the crisis;
- 2) accidental crisis: the organization has some minimal attributions of crisis responsibility (for example, technical errors within the supply chain or the production activities,...). In this case, the organization is considered partly involved within the crisis, even though the related actions were pursued unintentionally;
- 3) intentional crisis: the organization has tangible and strong attributions of crisis responsibility (for example, intentional misdeed, abuses or violence towards employees, avoid the fulfillment of legal standards,...). Hence, the actions are seen as intentionally pursued and the organization as principle implied and responsible for the crisis.

**Table 5.1.1.** SCCT crisis types by crisis clusters

<b>VICTIM CLUSTER</b> (weak attributions of crisis responsibility = mild reputational threat)	<b>ACCIDENTAL CLUSTER</b> (minimal attributions of crisis responsibility = moderate reputational threat)	<b>PREVENTABLE CLUSTER</b> (strong attributions of crisis responsibility = severe reputational threat)
<b>Natural disaster:</b> acts of nature damage an organization such as earthquake	<b>Challenges:</b> stakeholders claim an organization is operating in an inappropriate manner	<b>Human-error accidents:</b> human error causes an industrial accident
<b>Rumor:</b> false and damaging info about an organization is being circulating	<b>Technical-error accidents:</b> a technology or equipment failure causes an industrial accident	<b>Human-error product harm:</b> human error causes a product to be recalled
<b>Workplace violence:</b> current or former employee attacks current employees onsite	<b>Technical-error product harm:</b> a technology or equipment failure causes a product to be recalled	<b>Organizational misdeed with injuries:</b> stakeholders are deceived without injury
<b>Product tampering/Malevolence:</b> external agent causes damage to an organization		<b>Organizational misdeed management misconduct:</b> laws or regulations are violated by management
		<b>Organizational misdeed with injuries:</b> stakeholders are placed at risk by management and injuries occur

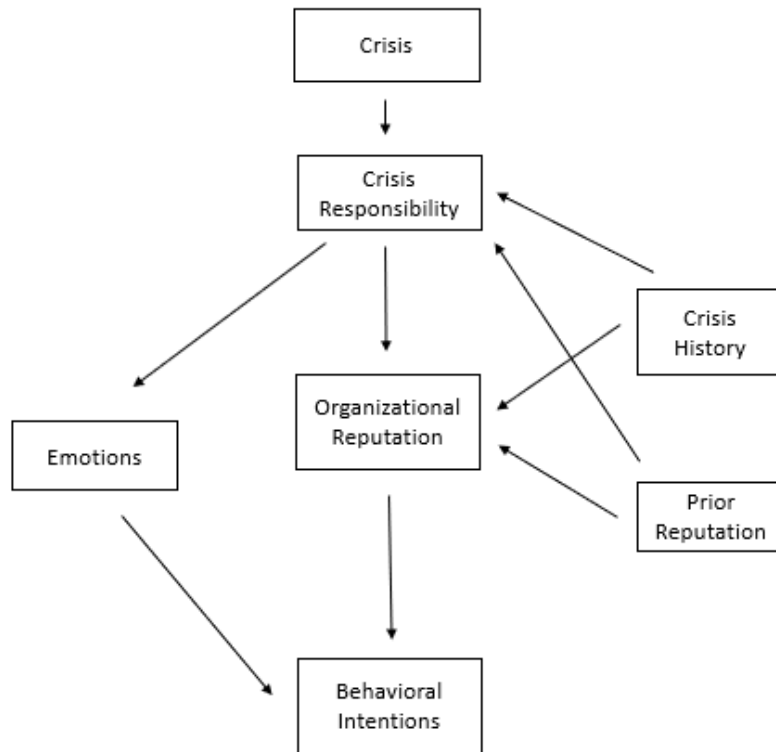
*Source: Coombs, 2007*

(2) Crisis history depends on the previous behavior of the organization, if it had to face similar negative events in the past and, in case, how successfully it dealt with them. The Attribution Theory suggests that in case of previous crises, the organization has some problems that already came up, but still need to be properly fixed (Kelley and Michela, 1980). Hence, these organizations will be considered more responsible towards the new crisis and will deal with stronger reputational issues than the “spotless” ones.

(3) Prior relational reputation is related to the way an organization is perceived to care about stakeholders’ welfare and interests and how it normally treats and deals with them. Accordingly, if an organization counts on negative prior relational events, it will have to face tougher reputational threats, especially because it means that the organization has an overall little consideration for its stakeholders, which is not only limited to the crisis period (Porritt, 2005). On the contrary, organizations counting on successfully and fair prior relations with their stakeholders, will be less damaged by the crisis and will overcome it much faster.

## Steps in Evaluating the Reputational Threat of a Crisis

Figure 5.1.1. SCCT model



*Adapted from Coombs, 2007*

Following these characteristics, Coombs elaborates the SCCT model (2007), synthesized by the Figure 5.1.1.

To get to the SCCT model output and take effective response actions to cope with the crisis, it is crucial to set the level of initial crisis responsibility first. As seen before, the SCCT model tries to explain how to each specific type of crisis corresponds a predictable degree of responsibility. Therefore, three actors with different levels of responsibility are analyzed: victim cluster, accidental cluster and intentional cluster, with relative characteristics (see table 5.1.1.). Considering the crisis type, managers can actually anticipate and analyze how stakeholders will perceive the organizational behavior, to which degree they will attribute its crisis responsibility and, consequently, how they will act towards the organization (Coombs, 2007).

Then, the two intensifying elements should be considered: crisis history and prior relational reputation. As mentioned before, if the organization counts on prior crisis history and/or prior bad relational reputation, stakeholders will perceive the organization as more involved into the crisis and the reputational threat will be much stronger. However, these two factors can also decrease the degree of organizational responsibility perceived, in case the organization counts on a responsible and fair background (Coombs, 2004a. 2004b).

Having a look at the scheme, it is possible to see how crisis responsibility affect both emotion and organization reputation. Therefore, feelings of anger rise up and the sympathy ones are reduced if the attributions of crisis responsibility are higher. On the opposite sympathy feelings prevail on anger if the attributions of crisis responsibility are lower (Coombs and Holladay, 2005).

Finally, the scheme intends to provide some conclusions regarding the crisis' effects on the stakeholders' behavioral intentions. Indeed, the last but not least reason to analyze the characteristics of an organizational crisis is to try to prevent how people will interact and behave towards the post-crisis organization. Will they change their attitude? Will they stop using the organization products or services? Or will the situation keep going on as nothing happened?

According to the literature, it seems that stakeholders will be less supportive in case either of negative reputation or negative emotions. This is easily explained because even if they are not directly linked, a negative perceived crisis responsibility will affect in the same way both reputation and emotions. On the opposite, stakeholders will be more supportive towards the organization, even if going through a crisis, if positive reputation and positive emotions prevail. (Coombs, 2004; Jorgensen, 1996; Rudolph et al., 2004). Hence both elements can influence final stakeholders' behavioral intentions.

To conclude, it is demonstrated how stakeholders' behaviors are influenced by the initial reputational damage due to the organizational crisis. The degree of responsibility the stakeholders will imply to the organization and how they will perceive it is the crucial key to prevent and treat potential short and long-term issues (such as stop purchasing certain products or stop supporting the organization) which can lead to a more drastic end of the company survival. This predictive aspect is essential for any crisis communication strategy, since the greater initial stakeholders' perception of crisis responsibility about a company, the greater the reputational threat and the harder the possibility to reset a good relationship between stakeholders and organization (Coombs, 2007; Rudolph et al., 2004).



### **5.1.2. Brand Equity Theory**

While the Attribution Theory bases its findings on different external factors that can influence stakeholder perceptions, potential crisis types and strategic responses to an organizational crisis, the Brand Equity Theory focuses the attention on factors closer to brand's products and values.

According to this theory, brand crises are defined as unpredictable episodes that threaten an organization's ability to provide expected benefits, hence decreasing the brand equity (Dawar and Pillutla, 2000; Dawar and Lei, 2009).

The concept of brand equity, which can be considered as the general brand's value, depends on how much stakeholders trust the company in satisfying expected standards and how better they take into account this brand over the competitors (Aaker, 1996; Keller, 1993, 2005). In other words, it is how much consumers are willing to choose this brand over others, because expecting specific benefits or welfare from it, which make it their overall best choice.

Keller (1993) argues that stakeholders can generally expect two types of benefits from a brand, functionals and symbolics. Following this concept, Dutta and Pullig (2011) distinguish two general dimensions of brand crises:

1) Performance-related crises, or product-harm crises, are due to defects in the products. They may decrease stakeholders' perception about the willingness and ability of a brand to fulfill and deliver the functional characteristics of the products (Dawar and Pillutla, 2000). They can imperil long-standing favorable consumer impressions about a brand.

2) Values-related crises are due to ethical or social values related to a brand. Even if these issues might not involve directly products' disfunctions, they might compromise stakeholders' perception about the social acceptance of these ones and the consequently brand's lack in delivering inner or symbolic benefits (Dutta and Pullig, 2011).

Most of the literature agrees that consumers take much more into consideration functional benefits while purchasing. Hence negative publicity about products' performance defects will have greater impact on their choice likelihood and consequently final satisfaction.

According to Swann and Combs (1976), exist two types of product benefits with related different degree of interaction with personal satisfaction. Indeed, they can be classified as

“instrumental” or “expressive” benefits and they cover a different level of importance in consumers’ mind. While the first are seen as fundamental in order for an individual to be properly satisfied by his/her purchase, the second are considered less important or, better said, their presence is not indispensable or required as such for the functional ones.

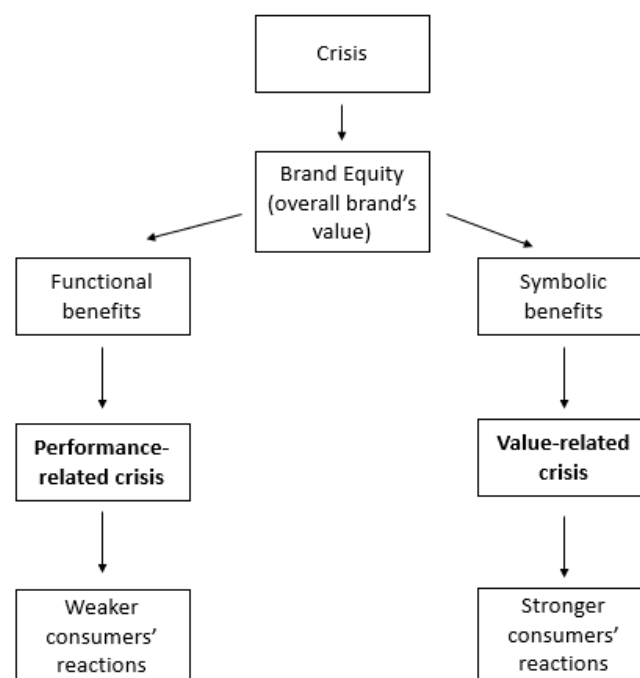
This hierarchy is largely supported in the literature. For example, Carroll (“The pyramid of Corporate Social Responsibility”, 1991), suggests that an organization CSR is composed by four different levels of responsibility – economic, legal, ethical and philanthropic – that should be satisfied in this order by any company. Thus, the legal level, representing the instrumental benefits has the priority on the ethical responsibilities, which expressive benefits belong to.

Still, according to Keller (2005), performance benefits are an essential aspect of any brand, while symbolic benefits are relevant just if considering a strategic marketing approach, based on the advantages related to a differentiation of the products.

However, even if most of the literature agrees on the priority of performance concerns over value ones for consumer’s satisfaction, it seems that when coming to emotions, consumers react more strongly to values-related issues. Indeed, emotional elements might be more important than cognitive ones in creating the positioning of a brand in consumers’ mind and so their point of view towards it (Chen et al., 2014).

The entire process is summarized by the Figure 5.1.2.

**Figure 5.1.2.** Brand Equity Theory



*Adapted from Keller, 1993*

Generally speaking, there are two perceptions that value-related and performance-related brand advertising can produce: competence (for example efficiency and power) and warmth (for example kindness, caring, empathy). According to the studies of Fiske, 2002, it seems that while the dimension of competence is more related on the individual's perception on the abilities of the brand of efficiently pursuing certain intentions, the dimension of warmth focuses on the individual's perception of these intentions towards him/herself.

Accordingly, value-related crisis will decrease brand's perceived warmth, while performance-related crisis will decrease brand's perceived competence. These concepts find a strong base in the literature. For example, Keryyn, 2014, states that "warmth" comes before "competence", because it is more important for all human beings first to be aware about the real intentions of the others towards themselves, rather than their ability (they might be important as well, but just in a second moment).

Moreover, according to Peeters and Czapinski, 1990, warmth dimension and related feelings are perceived as more positive for the others and not just for oneself, while the dimension of performance is only positive for the single individual, without having consistent relevance for others.

Ybarra (2001) builds on these concepts, suggesting how people are generally more sensitive to information related with the warmth dimension, rather than the competence one. Thus, they judge easily and quickly warmth-related information because they lead to stronger emotive reactions.

Finally, a values-related crisis clearly suggests bad intentions, while a performance-related crisis can be caused by several factors, such as weak competence, bad luck or issues related within the company's working process, which do not imply directly mean or bad purposes.

Still, in case of performance-related crisis, the relationship between the brand and the stakeholders is temporary damaged by the failure of the product or weak brand's skills. Thus, this relationship is easily reversible and can be fix in the short-term (Jeon and Baeck, 2016). It is different if considering value-related crisis. In this case, the broken or damaged relationship is not that quickly fixable and even the most devoted clients and stakeholders are not so incline to forget and forgive the mistakes of the brand.

Hence, it is reasonable to think that organizational crisis or negative publicity on a brand will rise different types of reactions and emotions among stakeholders. In particular, value related crisis elicits more intense contempt feelings (much stronger feeling), while performance related crisis more pity ones (less strong ones).

Cuddy, 2007, argues that even if both feeling have unfavorable influence on the brand and its reputation, the negative effects of contempt are way stronger.

This happens because, as specified by Ivens, 2015, contempt produce just negative reactions, whilst pity can stimulate either negative or positive ones, which may partly reduce the harmful effects.

Brands create associations and believes and, based on these characteristics, consumers build trust (Darke, Ashworth & Main, 2010).

There are two major dimensions of consumer behavior that define consumer's trust and thus predispose choice behaviors: brand evaluation – stakeholder's overall evaluation of a brand – and purchase intention – customers' willingness to buy a brand's product (Keller, 1993; Rousseau, 1998). According to these definitions, the research suggests that customers will experience worse brand evaluation and purchase intentions in case of value-related crisis than performance-related ones. Consequently, value-related crises seem to be more dangerous ones, due to both economical and reputational implications.

## **6.0 Strategic responses and actions**

Understanding the crisis characteristics and type of emotions and reactions that rise among stakeholders is crucial for any organization to analyze the most effective strategy responses.

Indeed, as already seen, crisis strategy responses help in reducing crisis effects and preventing negative behavioral intentions, repairing the organization's reputation (Coombs, 2007).

Obviously, it is unrealistic and impossible to write the perfect prescription of effective actions that match and solve any type of crisis. Indeed, researchers have tried to analyze and suggest some possible strategy responses according to the different types of stakeholders' reactions, seen in the previous chapter.

According to Coombs' SCCT model, organizational crisis responsibility depends on the reputational threat. However, any organization should be responsible for its actions and develop proper strategy responses to cope with the crisis.

In other words, only when well-performing socially acceptable ends, an organization is seen as legitimate and accepted as such.

In the literature, there are two ways according to which organizations pursue legitimacy and organize their response actions in case of management crisis: substantive management and symbolic management (Pfeffer, 1981a; Richardson, 1985).

### **6.1. Substantive management**

This approach implies real, concrete changes within organization objectives, functional systems, processes or social institutionalized practices. Since they represent tangible actions, normally require a considerable cost and amount of time to be realized. The main exemplifications of this approach are presented below.

#### Role performance

The organization can simply perform in line with its crucial constituents' expectations (Ashforth and Gibbs, 1990).

Examples of role performance include providing a good return on stakeholders' equity, safe products for consumer, fair wage or treatment for employees.

According to "The pyramid of Corporate Social Responsibility" (Carroll, 1991), role performance provides the fulfillment of the two first levels of the pyramid, the economic and legal ones, which are necessary conditions for the survival itself of any organization.

#### Coercive isomorphism

The organization might pursue legitimacy according to the "coercive isomorphism" approach, which is defined as the conformism with the stakeholder's expectations and values (Di Maggio and Powell, 1983).

This aspect would represent the fulfillment of the third level of Carroll's pyramid, the ethical one, which represents the responsibility to act morally and ethically. Coercive isomorphism shows the capability of an entity to fulfill stakeholders' expectations (Meyer, 1979). This approach is significant wherever stakeholders are not really close to the organization, used to its practices or do not have clear expectations towards it.

### Altering resource dependencies

The organization may attempt to change the level of dependences upon its stakeholders. This means changing the expectations to which the organization must respond and the people it has to consider in its decisions (Strand, 1983). By reconsidering its constituent relationships and finding alternative suppliers, the organization has some margin of freedom and decision power.

### Altering socially institutionalized practices

The organization may try to transform socially institutionalized procedures, status or ethics in order to make them conformed with its means and ends. It means lobbying activities against government legislation, contesting or dealing with regulators and other institutionalized actors. In other words, this practice is consistent with attempting to change stakeholders' purposes, activities and outcomes when stakeholders' practices are substituted for "socially institutionalized practices". However, as noticed by Epstein and Votaw (1978), it is normally more expedient to alter organizational practices than settled social values and practices.

## **6.2. Symbolic management**

The organization may just opt to simply make its structures and goals so as to seem in line with social values and stakeholders' expectations, without changing its real inner organization. Richardson (1985) states that symbolic actions transforms the meaning of acts, without changing their substance.

Moreover, the nowadays society is more and more used to deal with symbols and images, being satisfied just by "cosmetic illusions", rather than seeking for the real causes of the issues. Still, symbolic actions rise more superficial opinions, making them open to multiple interpretations and more easily adaptable than real actions.

### Espousing socially acceptable goals

The organization might publicly promote acceptable goals, while keep performing less fair ones (Ashforth and Gibbs, 1990). For example, many organizations create and publish social reports and ethics standards, without actually setting any controlling procedures to impose fees or sanctions in case of their default.

### Denial and concealment

Similarly, the organization might simply suppress or mask data about critical initiatives or results that would threat legitimacy. However, this is a double-edged tactic, since stakeholders are likely to feel particularly outraged if they find out that there was a misrepresentation (Sutton and Callahan, 1987).

### Redefining means and ends

The organization may also attempt to reformulate the meaning of its means and ends (Staw, 1980). Since the ambiguity of the society, managers are often able to affect how the social reality is built up and provide new justifications as the values change (Pfeffer and Salancik, 1978). Therefore, managers might reframe a problem in terms of other principles which are perceived as more fair ones (Waegel, Ermann and Horowitz, 1981). Common examples of this practice are the endorsement of products by celebrities or the creation of funding activities for community or sport events.

### Offering accounts

Accounts can be considered as explanations provided to erase an individual from a difficult situation that might prejudice his/her legitimacy image.

Accounts involve “excuses” and “justifications”. The first attempt to deny or limit one’s responsibility for an unfavorable event. According to the literature, it seems that managers attribute unfavorable outcomes more to external, unstable and uncontrollable causes than they do to favorable ones (Battman and Weitz, 1983; Sutton and Callahan, 1987). These types of excuses are also double-edged, since stakeholders expect managers to effectively control their organizations (Sutton and Callahan, 1987). On the other hand, justifications try limiting the unfavorable effects of a negative episode (Welles, 1988).

### Offering apologies

Another tactic to overcome a crisis is the use of apologies (Schlenker, 1980; Battman and Weitz, 1983). This approach involves a partial responsibility by the organization for the negative episode happened and imply some expressions of regret. In particular, apologies help to garner sympathy from the stakeholders, reaffirm the appearance of managerial control and maintain some managerial credibility (Sutton and Callahan, 1987; Ashforth and Gibbs, 1990). At the same time, by accepting some degrees of responsibility, managers potentially espouse

themselves and the organization to charges of incompetence or corruption issues. Thus, since this risk and the prevalence of defensive behavior in organizations, those tend not to apologize except in trivial events (Ashforth and Gibbs, 1990).

#### Ceremonial conformity

Finally, the organization may publicly agree and pursue some particularly visible and well-advertised socially acceptable goals, without changing the proper character of the organization (Meyer and Rowan, 1978).

It is important to underline that the distinction between substantive and symbolic actions is not always that clear. Therefore, it might blur overtime as symbolic actions turn into integral part of the organization culture and create complementary practices and organizational systems. However, the intention is always the same, to cherish the idea among stakeholders that the means and goals of the organization are developed according to stakeholders' values and expectations.

Both symbolic and substantive management activities are intensified when organization legitimacy is provoked. Therefore, legitimacy procedures and initiatives tend to be stronger and more reactive when managers try to face and limit the reputational damage. According to the literature, normally in the first stage of the crisis, while the legitimacy needs to be defended, a greater proportion of symbolic actions is involved. On the contrary, when it comes to extend the legitimacy in the long term, symbolic and consistent substantive actions are carried out together (Ashforth and Gibbs, 1990).

These different approaches are due to the urgency of the legitimacy defense. Therefore, in the short term, the urgency and consequently the pressures are stronger, thus a highly visible response has a better impact on society. In the long term, when the crisis issues are solved and the urgency is less strong, the organization can focus its attention also on substantive management, concrete actions that need to be realized to implement the symbolic ones. However, in the long term, the right combination of both actions should be realized since tangible actions still need to be communicated and advertised effectively to stakeholders, in order to get their involvement and support.



### 6.3. Recent approaches

As previously mentioned, sometimes there is not a sharp distinction between symbolic and substantive management. Therefore, more recent literature has classified in a different way the types of actions needed to cope a crisis. According to the type of crisis and its urgency, response actions have been categorized as “corrective actions” or “reduction of offensiveness actions” (Dutta and Pullig, 2011; Palmer and Strelan, 2015). While corrective actions imply greater use of substantive management, the reductive approach can involve both symbolic and substantive ones, depending on the crisis characteristics and the stakeholders involved.

Corrective actions happen when the organization take the responsibility for its actions and ensure to avoid the repetition of similar offensive actions (Benoit, 1997; Dutta and Pullig, 2011). On the other hand, reduction of offensiveness aims to limit the crisis’ offensiveness (Coombs, 2006; Dutta and Pullig, 2011; Palmer and Strelan, 2015; Hegner et al., 2016). The reorganization of reduction of offensiveness actions are summarized in the Table 6.3.

**Table 6.3.** Reduction of offensiveness actions

Posture	Crisis response strategy definition
Deny	<i>Attack the accuser</i> Crisis manager confronts the person or group claiming something is wrong with the organisation
	<i>Denial</i> Crisis manager asserts there is no crisis
	<i>Scapegoat</i> Crisis manager blames some person or group outside of organisation for the crisis
Diminish	<i>Excuse</i> Crisis manager minimises organisational responsibility by denying intent to do harm and/or claiming inability to control the events that triggered the crisis.
	<i>Justification</i> Crisis manager minimises the perceived damage caused by the crisis
Rebuild	<i>Compensation</i> Crisis manager offers money or other gifts to victims.
	<i>Apology</i> Crisis manager indicates the organisation takes full responsibility for the crisis and asks stakeholders for forgiveness
Bolster	<i>Reminder</i> Crisis manager tells stakeholders about the past good works of the organisation
	<i>Ingratiation</i> Crisis manager praises stakeholders and/or reminds them of past good works by the organisation
	<i>Victimisation</i> Crisis managers remind stakeholders that the organisation is a victim of the crisis too.

Source: Coombs, 2006b, 2007c

In particular, normally it is better to use a corrective approach when performance-related crises occur (see definition in the previous chapter). This is easily explained since performance crisis are due to disfunctions of the product and need a tangible and costly action to be solved (changed in the supply chain, in the production ways,...). Instead, when coming to value related crisis it seems that drastic changes are not needed and expenses can be reduced if a reduction of offensiveness approach is pursued (Liu, Lischka, Kenning, 2018). This happens because, as seen in the previous chapter, value related crisis elicits more intense contempt feelings (much stronger feeling), which required highly visible and well-advertised responses, rather than proper changes within the production or the organization themselves.

## **IV. TEACHING NOTES**

### **7.1. Case Abstract**

Ferrero represents one of the biggest companies within the confectionary sector worldwide, selling over 170 countries and employing around 35.000 people. Over the years, Ferrero has been characterized by a strong corporate social responsibility, focusing its attention on employee's welfare, clients' satisfaction, quality of the products and the protection of the environment.

However, its positive reputation has been recently challenged, due to an ingredient presents in most of its products, that has been largely discussed and criticized in some European countries by different stakeholders: the palm oil. In order to defend its position, the company organizes focused response initiatives, which bring to an increase of Ferrero sales and of its reputation too.

### **7.2. Notes to the instructor**

This present case study has been developed to be used in courses dealing with subjects such as Corporate Social Responsibility, Business Ethics, Crisis Management Communication, Management Consulting. It can be used to enrich a theoretical class about related topics as a debate role-playing game, where the students can be divided into different groups representing each Ferrero stakeholder and defending accordingly their position about the palm oil. The case study should be sent in advance to the students, in order to let them enough time to read it before class and have a more interactive discussion.

The lecture can be divided into two parts. In the first one, the theory about related topics can be presented and analyzed, just as in a common lecture. In the second one, the role game can be played to start then the final discussion. The professor should guide the debate, posing appropriate questions and animating students to participate. To allow everyone to recall the basic aspects and details of the case, initial attention should be given to Ferrero history, policies and initiatives. In a second moment, the focus should be on the research questions, spending no more than 15-20 minutes in discussing each one.

### 7.3. Assignment Questions

The three challenges provided throughout the work have been realized in order for the students to combine their academic knowledge, the specific models analyzed within the literature review section and the information presented through the Ferrero case itself. Hence, students are required to use soft skills such as problem solving, analytical and critical skills to find appropriate solutions to the case. As you will see below, a good mix of creativity is also needed to get to some conclusions.

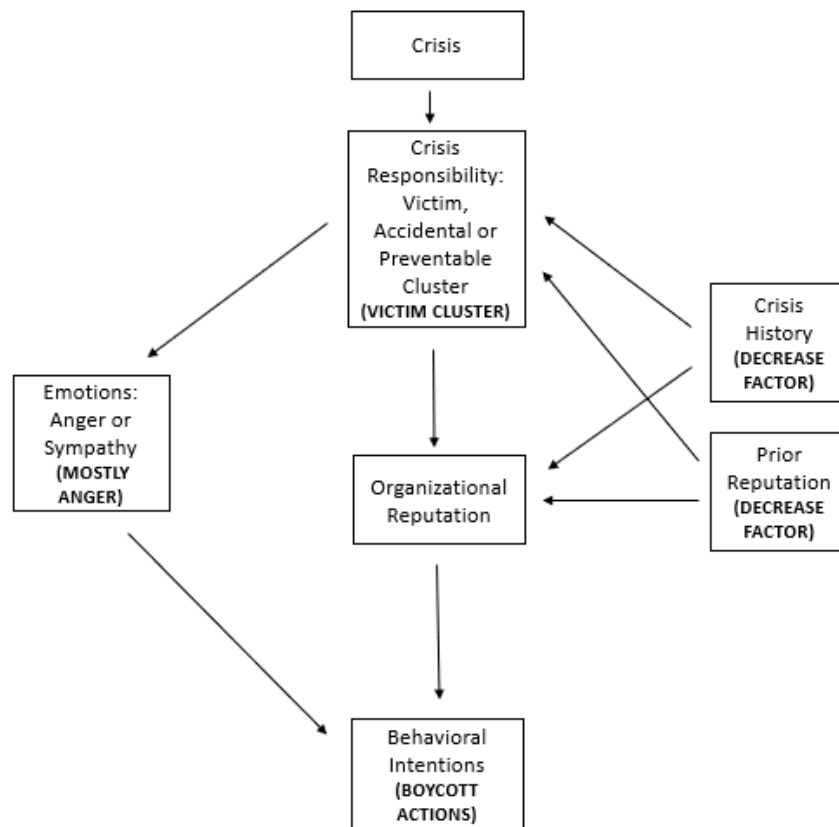
#### **RQ1: Does the crisis perception and crisis responses change over time?**

To solve this first question, students should use the theoretical models to analyze brand crisis presented in the first part of the Literature Review as well as the table with consumer's reactions contained in the Case Study section.

Therefore, Ferrero crisis can be analyzed through both models. Coombs' SCCT postulates that each type of crisis provokes precise and predictable degrees of crisis responsibility. According to this theory, students should first be able to identify the degree of Ferrero initial responsibility in such a crisis, properly evaluating the three options provided by the model: victim, accidental or intentional crisis actor. According to the presented facts, Ferrero can be considered as victim actor, since the company has always used the palm oil in its main products but paying attention to the production conditions. However, Nutella quickly become the symbol of these scandals, due to misinformation and negative publicity towards it.

Then, the students should take into account the two intensify factors, crisis history and prior relationship reputation. Having a look at the company's history and description, it should be clear that the company did not have any crisis or reputational issue in the past, but rather a strong corporate social responsibility has always characterized the brand. Indeed, the reputational threat is decreased by both factors. Following the SCCT scheme, emotions and reactions should then be analyzed. To do so, students should use the Twitter reactions properly provided in the Case Study section and be able to identify the emotions raised among the main stakeholders, classifying them either in "anger" or "sympathy" ones. Finally, some conclusions about behavioral intentions can be discussed, supported again by the consumer tweets.

**Table 7.3.1(a).** RQ1(a) response



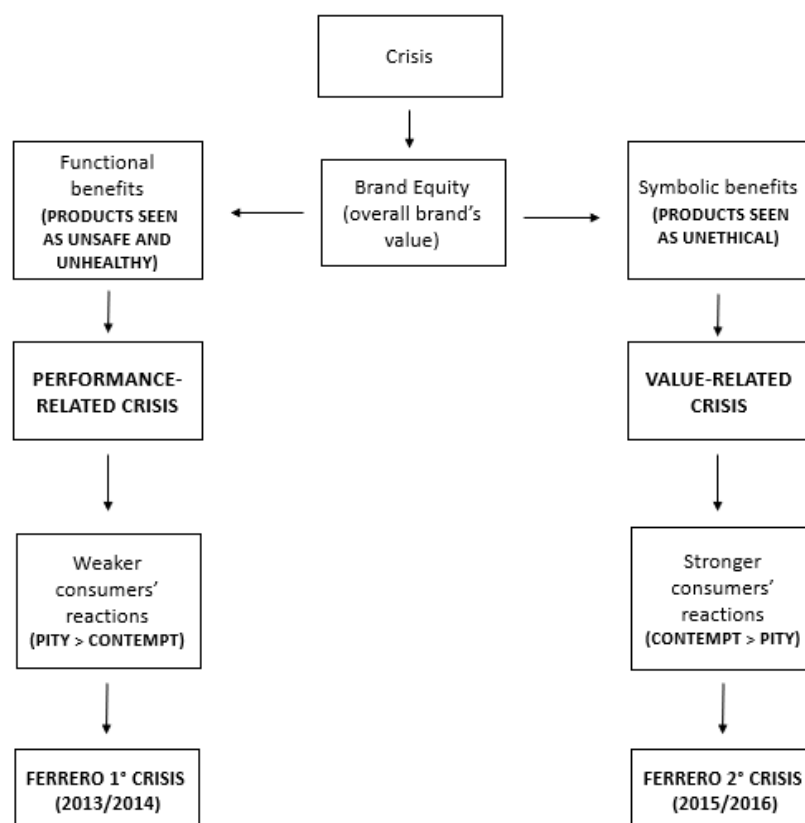
If considering the Brand Equity Theory, the crisis can be of two different types: performance-related crisis and value-related crisis. As seen in the literature review, the first one involves faulty products that can lessen brand's perceived ability to provide functional benefits (Keller, 1993); the second one involves ethical concerns about brand values, which affect the brand's perceived ability to satisfy psychological and social expectations (Keller, 1993).

According to these definitions and with the support of the Twitter reactions table, students should be able to clearly identify two different types of crisis, also from the chronological point of view. Therefore, there is a first crisis (2013/2014), which sees Ferrero much more under pressure due to performance-functional issues: the safety of its products due to the high fat saturation contained in the palm oil and the consequently potential development of cardiovascular disease is the main concern of consumers, also confirmed by the tweets.

Just in a second moment the crisis become much more a value-related one. Indeed, it is just during 2016, due to the Amnesty Report, that the palm oil starts being perceived as unethical. Moreover, the assumption that even if priority of performance concerns over value ones is more important for consumer's satisfaction, but when coming to emotions, consumers

react more strongly to values-related issues, is confirmed in practice by the tweets. Therefore, contempt feelings are confirmed to be stronger than pity ones and to have much more impact when coming to consumer behavior and purchase intentions. As supported in the theory, also in Ferrero case it is possible to notice stronger reactions in the value-related crisis, due to stronger contempt feelings, rather than in the performance-related one.

**Table 7.3.1(b).** RQ1(b) response



## **RQ2: Which actions did Ferrero pursue to regain legitimacy?**

To solve this question, students should focus their attention on the second part of the Literature Review, where crisis response actions are analyzed.

Students should recognize that Ferrero has used both symbolic and substantive management to face the crises. For example, taking into account the first wave of crisis, the company opts for an informative approach, justifying its choices by providing all the necessary information to explain the products composition and production to the consumers. However, at the same time some substantive actions are pursued, such as the creation of an internal Scientific

Nutritional Committee, the decision to use only RSPO Certified Palm Oil and to be POIG (Palm Oil Innovation Group) member.


In the second crisis wave, more empathized symbolic actions are developed. Therefore, a great promotional campaign is created with the aim to both celebrate the 70<sup>th</sup> year since Ferrero foundation and promote company responsibility about the palm oil issue. Hence, the company uses much more a bolster approach than before since through the anniversary celebrations it also reminds stakeholders about its historical corporate social responsibility and attention to people.

Students should then perceive that Ferrero case is quite consistent with the literature analyzed. Therefore, a corrective action, which implies greater use of substantive actions than symbolics, seems to give better results in reducing the threat of negative perception when performance-related crisis occurs (e.g Ferrero first crisis). On the other hand, a reduction of offensiveness approach, which implies greater use of symbolic actions, is more useful when coming to value related crisis (e.g. Ferrero second crisis) since highly visible responses are prioritized over proper structure changes.

**Table 7.3.2.** RQ2 response

FERRERO RESPONSE STRATEGIES	1° CRISIS	Creation of the website special palm oil section
		Creation of the Scientific Nutritional Committee
		Publication of the first "Palm Oil Report"
		Use of "RSPO Certified Palm Oil" only
		Become a POIG member
	2° CRISIS	Advertising through the Web, magazines, TV,...
		Conference



FERRERO RESPONSE STRATEGIES	SUBSTANTIVE ACTIONS	Use of "RSPO Certified Palm Oil" only (Coercive isomorphism)
		Creation of the Scientific Nutritional Committee (Coercive isomorphism)
		Become a POIG member (Coercive isomorphism)
	SYMBOLIC ACTIONS	Advertising through the Web, magazines, TV,... (Offering accounts: justifications / Bolster approach)
		Conference (Ceremonial conformity / Bolster approach)
		Creation of the website special palm oil section (Offering accounts: justifications)
		Publication of the first "Palm Oil Report" (Offering accounts: justifications)

### RQ3: What Ferrero could have been done better?

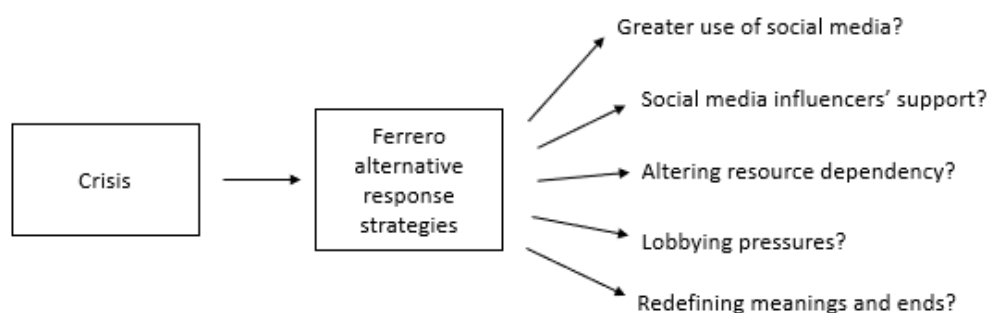
Finally, to solve this question, a good degree of creativity and constructive criticism are necessary, since students should reconsider the literature and the facts presented to find out alternative solutions.

According to the theory, some possibilities are not even taken into consideration by Ferrero. Is any of them useful for the case? Should Ferrero have considered other options? Would Ferrero have got even better results?

Some solutions can be analyzed in both short and long term. For example, students can reason that since Ferrero from the beginning did not try to hide its activities and products, but took the responsibility for its actions, denial, concealment or apologies approaches are actually not useful. For similar reasons excuse or victimization approaches can also be avoided. Probably the well-structured informative approach, justifying when necessary the means and ends of its past actions is Ferrero best choice. However, could have it been even more visible and structured from the beginning of the crisis? Or on the contrary, was it maybe too visible and similar to a ceremonial conformity approach? Was it necessary such a campaign to regain legitimacy mainly in Italy and France? Should have Ferrero make greater use of social media accounts such as Instagram and Facebook and find social media influencer's support?

Taking into account the long-term vision, once again Ferrero's decision to go beyond a neutral role performance was probably the right one. Indeed, try to positively engage stakeholders in company management and the community with some responsible agreements or partnerships with environmental or volunteering organizations plays undoubtably in Ferrero's favor. For these reasons, trying some lobbying pressures would be useless and would threaten once more Ferrero's legitimation. Altering resource dependency is definitely not the optimal choice either because the company counts on historical relationships with its stakeholders, that represent "our main strength" (Ferrero, 2015).

Figure 7.3.3. RQ3 response





## V. CONCLUSIONS

The aim of this case study was to understand how a multinational as Ferrero could have coped with a brand crisis in such an effective way, improving profits but, most important, reputation.

As mentioned at the beginning of the research, reputation is defined as non-tangible asset, crucial for the success and prosperity of any type of organization (Fombrun and Gardberg, 2000).

Moreover, it can also be considered as the stakeholders' valuation of how well a company is satisfying their concerns and expectations (Wartick, 1992). Hence, it is important to protect and preserve company's reputation as much as possible since, if damaged, can negatively influence how constituents' place and relate themselves towards an organization and, consequently, its survival.

Throughout Ferrero case it has been possible to analyze the different aspects that bring to a successful crisis outcome.

First of all, the historical reputation of the company, its transparent communication and its strong commitment in corporate social responsibility activities have probably played in Ferrero's favor, making it easier for stakeholders, in primis consumers, to quickly regain trust towards the multinational. In other words, they give the necessary legitimacy to Ferrero to positively overcome both crises. The concept of legitimacy is strictly connected to the reputation one, since it can be definite as the comprehensive perception that the organization is pursuing actions that are perceived as appropriate and desirable within the social structure of ideals, norms and values (Suchman, 1995).

Another aspect to take into account is the immediate reactivity of Ferrero to the threats and its ability to understand stakeholders' main perceptions and reactions. Therefore, in both crisis situations, the company is able to organize and take appropriate response measures, addressing them to the right people. This is clear especially if considering the second crisis, when Ferrero invites different experts to its conference, meaning that it is taking into account the reactions of more stakeholders.

Finally, since the present and future market expansion plans, the hopes are that Ferrero keeps on this responsible track, using quality products while ensuring environment, animal and people welfare.

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## APPENDIX

**Table 8(a).** Twitter stakeholders' reactions (2013/2014)

TWEETS	SOURCE	DATE
Why @coopitalia, always aware about social responsibility issues, does not take a position about @palmoil?	Bryciola (food page)	30/12/2014
Are there alternative to @palmoil? Here's the link: <a href="http://www.informarexresistere.fr/2014/12/26/alternative-alla-nutella-senza-olio-di-palma-la-lista-delle-marche/">http://www.informarexresistere.fr/2014/12/26/alternative-alla-nutella-senza-olio-di-palma-la-lista-delle-marche/</a> ...	Private user	26/12/2014
#palmoil #multinationals abuse of the rainforest and the environment. Use of 450.000 tonnes of palm oil #savetheforest	Private user	20/12/2014
#palmoil some big multinationals will stop using it in 2015 #health #palmoil	Diggita (news page)	18/12/2014
The label of #nutella is like the cigarette labels. Useless. We keep eating it #palmoil #nutella	Private user	08/12/2014
I don't care about the #palmoil. #nutella I will always eat you #whataworldwouldbewithoutyou?	Private user	03/12/2014
What a world would be without #nutella? We'll know soon #boycott #ferrero #palmoil	Valtellinanews (news page)	02/12/2014
The #palmoil production is being attacked by environmentalist and human rights #ONG (file attached)	Geopoliticalcoffee (news page)	26/11/2014
Good morning! What is #palmoil? Why people started concerning about it? Here's some info (file attached)	Geopoliticalcoffee (news page)	24/11/2014
I would like to know the percentage of #palmoil and where your nuts come from@nutella italia #health #information	Private user	12/11/2014
I'm start getting worried for my children...is #nutella safe? What about this #palmoil news? #ferrero #nutella	Private user	11/10/2014
I am making #homemadenutella #behealthy #stoppalmoil #palmoil here's the recipe (file attached)	Private user	05/10/2014
How can such a sweet thing be dangerous? #nutellalove #palmoil #sweetness	Private user	01/10/2014
For a great and #healthy wake up, here some #palmoilfree recipes #breakfast #healthylifestyle #nutella	Private user	29/09/2014
To be sure not to find #palmoil in your food choose @lecoesebuonetv products. Delivery service #stayhealthy #palmoilfree	Squicity (food page)	28/09/2014
#palmoil: list of the products without it #health #palmoil #food	Bigodino.it (healthy lifestyle blog)	12/09/2014
#palmoil largely used in the #restaurants. Be careful: it contains 100% #fats	Italiaatavola (food page)	09/09/2014
#unilever #nestle #ferrero #palmoil and the #saturated fats. Can we keep like this?	Private user	28/08/2014
You and your damn #nutella. #sumatra: elephants' massacre, they were ruining palm oil plantations (link attached)	Private user	26/08/2014
Just in case, I keep eating you #nutella #idontcare #ferrero	Private user	01/08/2014
[photo]: inside all these harmless #nutella jars there is the hidden enemy #palmoil. #stayhealthy #beaware #ferrero	Private user	15/07/2014
Sign to stop! It is everywhere #palmoil #saturatedfats #health (file attached)	Mesopinions.fr (news page)	05/07/2014
So delicious but so dangerous! Can't we make it with balsamic vinegar? #nutella #ferrero	Private user	01/06/2014
In France not to use #palmoil is a proud! #freepalmoil #nutella Say no to palm oil	Private user	28/05/2014
Did you try already our #homemadenutella recipe? #saynotopalmoil #nutella (file attached)	Nonsprecare.it (food page)	25/05/2014
#saynotopalmoil check out why: (link attached) #cancer #nutella #palmoil #palmoilfree	LePommeRouge (food page)	22/04/2014

New recipes for the greatest Fior di Loto products: up to 4 of our #cookies say goodbye to #palmoil	FiordiLoto (food page)	15/04/2014
Today's recipe is a #special #chocolate cake without #palmoil #freepalmoil	GnamGnam.it (food page)	28/03/2014
Everyone taking about #palmoil...is it that dangerous?	Private user	21/03/2014
Be aware of what you're eating #stayhealthy #nopalmoil #palmoilfreeproducts	Mesopinions.fr (news page)	18/02/2014
Percentages of #palmoil presented in #nutella #ferrero #stayhealthy	Dexmec (news page)	15/02/2014
For my kids...what a world would be without #nutella? For sure a cleaner and healthier one #palmoilfree #boycott	Donnalmma (food/family page)	12/01/2014
Get informed about palm oil (file attached) #palmoil #carcinogenicproducts #huiledepalme	Private user	05/01/2014
Check out #nutella recipe (file attached). Be aware of what you and your kids eat #nopalmoil #boycott	Mcreations (news page)	03/01/2014
Say no to bloody #palmoil. #nutella stop using #palmoil in your products!!	Private user	28/12/2013
Beside #nutella, #palmoil is used in soaps, shampoo, lotions, chips (file attached). Be careful! #saynotopalmoil	Private user	26/12/2013
OMG (file attached with nutella recipe) #freepalmoil #boycottferrero #nonutella	Private user	23/12/2013
#boycottnutella. Take a position against #palmoil #nutella #ferrero	<a href="http://www.alnas.fr">www.alnas.fr</a>	02/12/2013
#boycott: have a look at our anti-nutella campaign #stayhealthy #freepalmoil #huiledepalme	Babbomarket.fr	02/12/2013
This recipe will change your life (link attached) #saynotopalmoil #carcinogenicproducts	Private user	01/12/2013
All the truth about #nutella (file attached) #palmoil #huiledepalme #ferrero	Private user	30/11/2013
#nutella go home!! (file attached) #palmoil #health	Alblog.fr (food page)	28/11/2013
Is #nutella an healthy #snack? Check it out (link attached)	Private user	25/11/2013
Maybe you're not #healthy...but who cares? I still eat you #nutella #love #eating (picture attached)	Private user	23/11/2013
Time to stop it #nutella #ferrero #palmoil	Private user	15/11/2013
Change your habits. Eat sustainable and healthy #palmoilfree products #saynotopalmoil #nutella	Private user	03/11/2013
Nutella, nutella...what damn are you made of? #palmoil #nutella #stoppalmoil	Private user	01/11/2013
Oh #nutella, you know how much I love you but... (file attached) #palmoil #nutella #olioidipalma #ferrero	Private user	30/10/2013
A jar of #palmoil, but sweetness. Get to know what you're eating #nutella	Lemesonnous.fr (lifestyle page)	28/10/2013
#ferrerosnacks you're not #healthy anymore #boycottpalmoil #palmoil #huiledepalme	Private user	27/10/2013
So disappointed that #nutella contains #palmoil #evilfood	Private user	20/10/2013
High intake of fatty acids increase #cancer #metastasis. Including #palmoil (file attached)	Private user	10/09/2013
(picture of a baby) Are you poisoning me? High levels of fatty acids esters contained in #palmoil #evilfood #palmoilkills	Private user	09/08/2013

**Table 8(b).** Twitter stakeholders' reactions (2015/2016)

TWEETS	SOURCE	DATE
Yes. Thanks #palmoil user to destroy Sumatra and Borneo rainforests and now #westpapua #boycottpalmoil	WestPapua (environmental Association page)	14/12/2016
We want a real action now. Withdraw the #palmoil products from the market (file attached)	Coop.it	12/12/2016
Palm oil is toxic for both human and animals @theguardian #palmoil	Private user	12/12/2016
#palmoilkills save species from extinction	Private user	10/12/2016
#RSPO is giving license to kill. There is only one palm oil: bad palm oil #palmoil #palmoilkills	Private user	08/12/2016
Remember. Just because it is legal, it doesn't make it right #palmoil (picture attached)	Smartactivism (social news page)	02/12/2016
#RSPO member keep trading ilegal #palmoil	Private user	02/12/2016
#palmoil I just took action to protect the environment and the animals, join me (link attached)	Private user	01/12/2016
Amnesty found out #childlabour at #indonesia #palmoil plantations. Check it out (file attached) @indonesiaonline	ADB CSS (news page)	01/12/2016
Got so disappointed that #ferrero #nutella uses #palmoil in its recipes #saynotopalmoil #savetheplanet	Private user	01/12/2016
Orangutans used as slaves in #palmoil industry. OUTLAW BESTIALITY #nopalmoil #boycottpalmoil #boycottnutella	Private user	30/11/2016
I told #nestle #ferrero why I am avoiding them @boycottapp #palmoil	ADOPTDONTSTOP (animal page)	28/11/2016
Animals affected by #palmoil (picture attached) #boycottpalmoil	Private user	25/11/2016
#ferrero stop using and promoting #palmoil. You're destroying the #environment	Private user	23/11/2016
Learn about #nutella ingredients and learn how to avoid them #healthyfood #beconscious #savetheplanet	Foodest (food page)	20/11/2016
One way to combat the #climatechange - ask #ferrero to stop using #palmoil. Sorry #nutella not buying you any longer. Pls change recipe!	Private user	15/11/2016
I will check products by products...i'm aware of #palmoil now than before	Private user	11/11/2016
Please reply: who has certified the #palmoil in cruelty free products @peta2 (link attached)	Private user	05/11/2016
Watch this and then read all the labels in your cupboards. Try to buy alternatives to #palmoil and help to save beautiful #orangutans	Private user	02/11/2016
Why you should apply for #RSPO membership (link attached) #palmoil #CSPO	RSPO (food/agriculture Association page)	02/11/2016
Just spoke out against the use of #palmoil, with all its negative impact on society, animals, environment, people health	Private user	02/11/2016
#westpapua: this used to be rainforest. Professionally destroyed by #indonesia's disfunctional democracy and multinationals #palmoil #deforestation	WestPapua (environmental Association page)	01/11/2016
The latest news about #animal welfare (link attached) #palmoil #nodeforestation #oliodipalma	Private user	01/11/2016
Interview to the quality responsible @coopitalia: without #palmoil to protect consumers #oliodipalma #stopplamoil	Private user	30/10/2016
When you really want #nutella but you know it is dangerous and unethical #ferrero #palmoil #animals	Private user	28/10/2016
#palmoil consumption is on the rise. How does it affect the #environment and #communities it come from? (link attached)	WBG environment (environmental news page)	27/10/2016
So angry towards all these multinationals using #palmoil (file attached). You're killing animals and destroying the planet #boycottpalmoil	Private user	25/10/2016

Have you seen our examination about #palmoil traceability? Watch the animation video here: (link attached)	EPOA (European palm oil Alliance page)	11/10/2016
production of #palmoil in malesia is still running behind last year's levels (graph attached)	Private user	09/10/2016
"Conerted effort" required on labor rights: Wilmar on Amnesty Report #palmoil #rspo	Oragutanlandtrust (animal welfare page)	09/10/2016
<u>.@lefigaro EUPARL!!! Stop pushing for BioFuels! EU = partner in crime raping Africa for #palmoil!</u>	Private user	08/10/2016
Sustainable #palmoil doesn't exist #extinction #animals #palmoil	Private user	07/10/2016
<u>.@indipendentuk we demand instant action! Withdraw #palmoil from our products now (picture attached)</u>	Private user	02/10/2016
#palmoil related data due this week (file attached)	PalmOilAnalytics (data and news page)	02/10/2016
Stop the destruction of forest for #palmoil. I just took action, join me (link attached) #humanrights #environment #animalswelfare	Private user	01/10/2016
Animlas are losing their homes for #palmoil #RSPO is certifying the killing fields #palmoilkills	Private user	01/10/2016
Help increase awarress by sharing this sad situation (link attached) #stoppalmoil #savetheplanet	Private user	01/10/2016
#palmoil boom: companies must clean up their actions #palmoil #nutella #stopkilling	Agrifoodad (food and info page)	01/10/2016
#nutella i'm not yours anymore #saystoptopalmoil #ferrero #nutella #environment	Private user	20/09/2016
Animals are losing their homes because of #nutella #palmoil stop it! (picture attached)	Private user	19/09/2016
#palmoil is used in 50% of our food and products! Take note! It's #bad for #nature, it's bad for you #health #foodfacts	Jakesboost (news info)	18/09/2016
#palmtree #palmoil #nodeforestation @greenpeace @savetheforests	Italian Food Trade (food association page)	18/09/2016
Animals are poisoned, captured, tortured and murdered for #palmoil production! Stop supporting extinction #palmoilkills	Private user	16/09/2016
(picture of a baby) Are you poisoning me? High levels of fatty acids esters contained in #palmoil #evilfood #palmoilkills	Private user	10/09/2016
Orangutans are practically extinted due to human greed for #palmoil	Private user	10/09/2016
#humanrights, #animalswelfare #environment in danger due to #palmoil users. Stop it! #nutella #palmoil (picture attached)	Private user	02/09/2016
The truth about #palmoil as you've never seen it (link attached) #palmoilkills	Coop.it	01/09/2016
Really shocked to know that #nutella is part of the #palmoil destroying system	Private user	01/09/2016
Sustainable and certified #palmoil sounds good, but can a cancer, death, slavery and lost freedom ever be sustainable or certified? #palmoilkills	Private user	01/09/2016